

## Second 15-Day Comments for CLEAN Regulations

L=Letter

Comment Number	Summary of Comment	Commentator	Response	Revision Needed	Section/ Area
L-04-01	Certain concepts, limitations, and restrictions appear to go substantially beyond the statutory language	Steve Andrews City of Los Angeles Community Redevelopment Agency	No change. The proposed regulations provide clarity to the existing statutory language for the CLEAN Loan Program, and are consistent with policies of DTSC, the State and Regional Water Boards, and Cal/EPA to ensure protection of public health, safety, and the environment through the investigation and cleanup of hazardous materials.	NO	Unkown
L-04-02	Failure of regulations to address comments made by Kevin Daehnke in August 7, 2001 correspondence	Steve Andrews City of Los Angeles Community Redevelopment Agency	No change. The issues raised in the August 7, 2001 letter from Kevin Daehnke on behalf of the California Redevelopment Association were considered and addressed properly as part of the 45-day comment period. (See next page)	NO	See next page
L-04-03	Request that final rulemaking on these regulations be suspended until such times as monetary resources become available to further fund the program.	Steve Andrews City of Los Angeles Community Redevelopment Agency	No change. The Department is required to submit the final rulemaking package for these proposed regulations to the Office of Administrative Law by June 22, 2002. Unless the package is submitted by that date, the regulations will not go into effect and the Department will be required to initiate another rulemaking. Although funds are not available for new CLEAN loans at this time due to state budget constraints, the regulations should be finalized to provide clarification and guidance for the loans that have already been approved and funded under the CLEAN program, and for any future loan activity if and when funding is restored.	NO	All

## Copy of Response to Comments Made by Mr. Kevin Daehnke, August 7, 2001

### 45-Day Comments for CLEAN Regulations

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L-03-01	Reconsider requirement that responsible parties must contractually agree with the Department to complete any and all response actions at a site.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	No Change. The Borrower shall be responsible for complying with all applicable laws and regulations. This is similar to other DTSC Site Mitigation agreements and encourages complete site cleanup.	No	68210(b)(7)
L-03-2	Make clear that provision in regulations requiring borrower to provide assessment data, reports, documentation, PEA results, and a full audit of information are not intended to prohibit a borrower from obtaining assistance from an attorney.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	No Change. Nothing in the regulations prohibits a borrower from using an attorney's services.	No	68211
L-03-03	Requirement for applicant to submit information on all tasks needed to complete all response actions for a property may not be necessary.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	Noted. Language clarifying the reason for these requirements will be included in final regulations	Yes	68211(c)(2)
L-03-04	Section 68202(v) mentions subdivision y(1)(13) and no such subdivision exists	Kevin Daehnke Daehnke & Cruz Attorneys at Law	Accepted. Section 68202(ee) will be revised to refer to subdivision hh(1-3). This was a typographical error.	Yes	68202(ee)
L-03-05	Definition of 'estimated current fair market value' is not clear.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	Accepted: Section 68210(b)(14) will be amended to clarify that current fair market value is based on the estimated value of the property in a cleaned up state.	Yes	68210(b)(14)
L-03-06	Provision that borrower indemnify and hold the State of California harmless from any and all claims may deter borrowers from obtaining CLEAN loans.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	No change. This is standard language in DTSC Site Mitigation agreements.	No	68210(b)(11)
L-03-07	Regulations do not clarify the oversight costs for the CLEAN loans will be paid for out of CLEAN funds.	Kevin Daehnke Daehnke & Cruz Attorneys at Law	Noted. New statutory language as (Assembly Bill 254) will address this issue. Oversight costs may be paid out of CLEAN funds if sufficient funds are available.	Yes	68211(12)(A)

NOTE: Some section numbers in the above table have changed from what was listed in the original 45 day notice Response to Comments to accurately reflect changes in current version of regulations.